

HOUSE No. 4095

The Commonwealth of Massachusetts

PRESENTED BY:

Ann-Margaret Ferrante

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to partial payment.

PETITION OF:

NAME:

Ann-Margaret Ferrante

DISTRICT/ADDRESS:

5th Essex

HOUSE No. 4095

By Ms. Ferrante of Gloucester, a petition (subject to Joint Rule 12) of Ann-Margaret Ferrante for legislation to further regulate residential contracting agreements. Consumer Protection and Professional Licensure.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act relative to partial payment.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1: Section 2(a) of Chapter 142A of the general laws is hereby amended by
2 striking out clause (6) and inserting in place thereof the following new clause:

3 (6) a time schedule of payments to be made under said contract and the amount of each
4 payment stated in dollars, including all finance charges. (i) except as provided under
5 subparagraph (ii), any deposit required under the contract to be paid in advance of the
6 commencement of work under said contract shall not exceed the greater of one-third of the total
7 contract price or the actual cost of any materials or equipment of a special order or custom made
8 nature, which must be ordered in advance of the commencement of work, in order to assure that
9 the project will proceed on schedule. No final payment shall be demanded until the contract is
10 completed to the satisfaction of the parties thereto. (ii) the provisions of subparagraph (i) shall
11 not apply to contractors furnishing a performance and payment bond, lien and/or completion
12 bond, or a bond equivalent approved by the Director of Consumer Affairs and Business

13 Regulation covering a minimum of two million dollars. Any violation of this section shall
14 constitute an unfair method of competition or unfair or deceptive act or practice in violation of
15 chapters 93A.